

31A-22-1412 Nonforfeiture benefits.

- (1)
- (a) A long-term care insurance policy or certificate may not be delivered or issued for delivery in this state unless the policyholder or certificate holder has been offered the option of purchasing a policy or certificate including a nonforfeiture benefit.
 - (b) The offer of a nonforfeiture benefit under Subsection (1)(a) may be in the form of a rider that is attached to the policy.
 - (c) If the policyholder or certificate holder declines the nonforfeiture benefit offered under this Subsection (1), the insurer shall provide a contingent benefit upon lapse of the policy or certificate that is available for a specified period of time following a substantial increase in premium rates.
 - (d)
 - (i) Except as provided in Subsection (1)(d)(ii), if a group long-term care insurance policy is issued, the offer required in this Subsection (1) shall be made to the group policyholder.
 - (ii) If the policy is issued to a group authorized under Section 31A-22-509, the offer required under this Subsection (1) shall be made to each proposed certificate holder.
- (2) The commissioner shall make rules:
- (a) specifying the types of nonforfeiture benefits to be offered as part of a long-term care insurance policy or certificate;
 - (b) specifying the standards for nonforfeiture benefits; and
 - (c) regarding contingent benefits upon lapse, including a determination of:
 - (i) the specified period of time during which a contingent benefit upon lapse will be available as provided in Subsection (1); and
 - (ii) the substantial premium rate increase that triggers a contingent benefit upon lapse as provided in Subsection (1).

Amended by Chapter 116, 2001 General Session